

**Department of Personnel Administration
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: Supplemental Life Insurance for Excluded Employees - Demutualization Funds Premium Holiday Extension	REFERENCE NUMBER: 2004-067
DATE ISSUED: 12/10/04	SUPERSEDES:

This memorandum should be forwarded to:

**Employee Benefit Officers
Personnel Officers
Personnel Transactions Supervisors
Personnel Transactions Staff**

FROM: Department of Personnel Administration
Benefits Division

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This memorandum is to provide you important information regarding the "Demutualization Funds Premium Holiday" effective September 1, 2004 through December 31, 2004 for eligible employees who were enrolled in the Supplemental Life Insurance Program.

The Premium Holiday for the Supplemental Life Insurance Program originally scheduled to end January 1, 2005 (December pay period) **will be extended through January 31, 2005**. Excess funds remain in the Demutualization Fund Account because the figures used in April/May to calculate the timeframe for the Premium Holiday decreased on July 1, 2004 due to premium reductions. This means additional funds will be available to continue to pay for the Supplemental Life premiums for one additional month. The Premium Holiday **will now end February 1, 2005 (January pay period)**.

What is a Premium Holiday?

A Premium Holiday is a period of time that the employee does not have to make a payment for a covered benefit. In this case, a Premium Holiday will be continued for all employees who were enrolled in the Supplemental Life Insurance Program, until the funds provided by the demutualization are exhausted.

DPA will to work closely with the State Controller's Office and other State agencies to continue the Premium Holiday for one additional month. The employee-paid premium deduction will resume effective February 1, 2005 (January pay period).

Due to time constraints, DPA will not be sending another mailing directly to enrolled employees. It is important that departments communicate this information to their employees. We appreciate your support and assistance.

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If you have any questions regarding this information, or you need details regarding the Demutualization Fund Premium Holiday, refer to PML 2004-035, or please contact Desi Rodrigues, Benefits Program Analyst at (916) 324-9400.

/s/ Debbie Endsley

Debbie Endsley, Chief
Benefits Division

cc: Metropolitan Life Insurance
Standard Insurance Company
California Fair Services Authority
California Exposition & State Fair